Gas Works Sediment Cleanup

Agreement with Puget Sound Energy

Proposed Ordinance September 18, 2012





Ordinance: Authorizes Seattle Public Utilities and Seattle Parks and Recreation to enter into an agreement with Puget Sound Energy for remediation of contamination at Gas Works Park and allocation of future costs

Presentation Outline:

- Site Background
- Project Status and Basis for Legislation
- Overview of PSE Agreement



Manufactured Gas Plant

- Operated from 1907 to 1956
- Processed coal and oil into gas for heat and light
- Puget Sound Energy successor
- 1962 City purchased property for park
- □ 1976 Park opens



City Status at Site

- The City of Seattle is a potentially responsible party due to:
- Historical City ownership of property leased to tar refinery
- City storm drains
- City ownership of Park and Harbor Patrol

Current Situation

- □ EPA critical of uplands work
- EPA unwilling to review sediment work
- City and PSE at standstill on sediments

- New approach needed to make progress
- City and PSE agree it would be more costeffective for PSE alone to manage the site

Goals of Agreement

- Address future costs for sediments (and uplands)
- End duplication of effort
- PSE lead (except where City involvement necessary)
- Simple and equitable cost sharing
- Eliminate need for costly allocation process

Agreement Framework

- □ Cost split: 80%-PSE and 20%-City
- City retains sole responsibility for:
 - Replacement of drains and outfalls
 - Liability under City storm water permit
 - Kite Hill
- No indemnifications
- PSE required to confer with City on key pieces
- Internal split of City costs:
 - Sediment 55%-SPU and 45%-General Fund
 - □ (Uplands 5%-SPU and 95%-General Fund)

Agreement Framework Costs and Budget

- City performed cost analysis that supported Agreement framework
- Projected yearly costs approved by Council
- City's total share may not exceed \$25 million without Council approval
- Expected costs incorporated into 2013-2018 budget.

Coordination and Outreach Harbor Patrol





- □ FAS and Harbor Patrol briefed
- □ Agreement addresses:
 - ☐ In-kind replacement of docks
 - Requirements to reduce disruption of operations
 - Opportunities for improvements
- □ PSE coordination with FAS/HP initiated

Coordination and Outreach Parks



- Parks on negotiation team
- □ Agreement addresses:
 - □ Requirements to reduce disruption of uses
 - Opportunities for improvements
- □ Public Outreach Plan
 - ☐ Friends of Gas Works
 Park
 - Wallingford Community Council

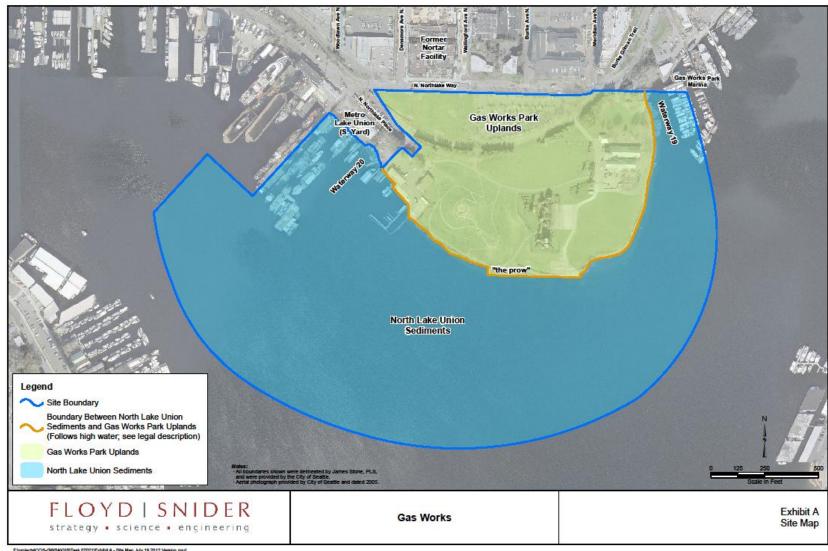
Ordinance

Authorizes SPU and Parks to:

- Sign agreement with PSE
- Enter into an Agreed Order or Consent
 Decree with Ecology/EPA and PSE
- Seek and accept Remedial Action Grants







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